MISSOULA
OFFICE OF THE MAYOR
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November 18, 2024

Dear Council Members,

I am writing to request your approval of the City's purchase of the Southgate Crossing property, a strategic acquisition that aligns with our collective vision for Midtown Missoula. The Missoula Redevelopment Agency (MRA) has approved this purchase, which presents a significant opportunity to transform this long-vacant 13.5-acre site into a vibrant, community-oriented development.

Key Details:

- **Purchase Price:** The agreed purchase price is $15 per square foot, totaling approximately $5.9 million—below the appraised values of $16.47 per square foot "As-Is" and $21.03 per square foot with entitlements. This favorable price reflects a generous contribution from the sellers.
- **Due Diligence:** Comprehensive assessments, including environmental reviews and title examinations, confirmed no significant environmental risks and clear property boundaries, ensuring a sound investment for the City.
- **Planned Redevelopment:** Acquiring this property allows the City to engage in a public process to master plan the site, achieving community-identified goals such as affordable housing, mixed-use commercial spaces, public parks, and enhanced transit connectivity. These initiatives are in alignment with the 2023 Midtown Missoula Master Plan.

This acquisition is funded through the City's Tax Increment Financing (TIF) tool within Urban Renewal District III. With your approval, we can move forward to finalize the purchase and begin the collaborative planning process with our community partners.

This transformative project is a major goal for me and for the City's Administration. Thank you for your thoughtful consideration.

I regret being unable to be with you tonight. I am the keynote speaker at the Burton K. Wheeler Center for Public Policy's Montana Housing Crisis Summit in Bozeman. I wish you a productive meeting.

Andrea Davis
Mayor